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**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

16 | SINCO TECHNOLOGIES PTE LTD.,

17 Plaintiff,

18 | VS.

19 SINCO ELECTRONICS (DONGGUAN) CO., LTD.; XINGKE ELECTRONICS
20 (DONGGUAN) CO., LTD.; XINGKE ELECTRONICS TECHNOLOGY CO., LTD.;
21 SINCOO ELECTRONICS TECHNOLOGY CO., LTD.; MUI LIANG TJOA (an
22 individual); NG CHER YONG aka CY NG (an individual); and LIEW YEW SOON aka
23 MARK LIEW (an individual).

24 Defendants.

Case No. 3:17-CV-05517-EMC

Action Filed: September 22, 2017

MOTION IN LIMINE NO. 2

Judge: Honorable Edward M. Chen

Trial: November 1, 2021

1 **I. SUMMARY OF MIL NO. 2**

2 Defendants file this Motion in Limine No. 2 for an order excluding Plaintiff SinCo
 3 Technologies Pte. Ltd. (“SinCo SG”) from **referencing or offering any evidence of official**
 4 **records of trademark proceedings in China and the United States, and related evidence**
 5 **concerning trademark application, opposition, or cancellation proceedings.** Those trademark
 6 proceedings are irrelevant to the ultimate legal issues, or, even if minimally probative, are
 7 substantially prejudicial such that they would confuse the issues and mislead the jury, and therefore
 8 should be excluded under Federal Rules of Evidence 402 and 403. The records further are rife with
 9 statements and declarations from persons that will not appear as witnesses at trial and should
 10 therefore also be excluded as hearsay under Federal Rule of Evidence 802.

11 SinCo SG has repeatedly emphasized evidence relating to two registered (and presently
 12 invalidated) design marks in China owned by XingKe and sixteen trademark applications to register
 13 word and design marks in the United States filed by XingKe or its agents. The Chinese trademark
 14 proceedings are altogether irrelevant to SinCo SG’s rights in its trademarks in the United States—
 15 and are currently subject to pending appeals. The United States trademark applications all have
 16 either been abandoned, suspended or stayed, predominately as a result of XingKe’s decision not to
 17 respond to an office action or to answer an opposition, and because of the pending of this later-filed
 18 proceeding. That is, none of the proceedings have resulted in an administrative finding of fact based
 19 on well-developed records.

20 None of these proceedings are final and they involve overlapping issues with this case that
 21 could create substantial risk that the jury would be confused by the issues and give those proceedings
 22 undue weight. To expose the jury to this evidence at any point in the trial not only would confuse the
 23 jury—given the volume of the applications and complicated procedural posture of each proceeding
 24 in multiple jurisdictions—but would carry a severe risk of giving the jury the false impression that a
 25 federal agency or foreign government has already resolved issues such as likelihood of confusion in
 26 SinCo SG’s favor. Further, SinCo SG has repeatedly made allegations of fraud concerning those
 27 proceedings that would add particular risk that the introduction of any evidence concerning those
 28 matters would confuse the jury and cause unfair prejudice.

1 As such, XingKe seeks exclusion of the following: (1) trademark applications for registration
 2 filed by XingKe or its agents with the USPTO and the Trademark Review and Adjudication Board
 3 of the State Administration for Industry and Commerce of the People's Republic of China; (2)
 4 oppositions, cancellations, requests for nullification, office actions, declarations, specimens,
 5 statements of use, and any other filings or proceedings conducted in connection with or relating to
 6 the aforementioned applications; (3) testimony, documentary evidence, references, inquiry,
 7 argument, or any other exposure of the jury to the same, at any time; and (4) testimony, documentary
 8 evidence, references, inquiry, argument, or any other exposure of the jury to evidence concerning
 9 Mariam Paton, the 2005 Design Contract, or any other evidence related to allegations of fraud,
 10 falsification of documents, or bad acts in connection with trademark proceedings in the United States
 11 or China.¹

12 **II. ARGUMENT**

13 **A. The Court should exclude evidence relating to the United States and Chinese 14 trademark proceedings under FRE 402 and FRE 403**

15 **1. Evidence relating to the Chinese trademark proceedings is irrelevant to 16 SinCo SG's trademark rights in the United States**

17 SinCo SG asserts causes of action for, among other things, trademark infringement and
 18 trademark dilution based on its ownership of four design and word marks, all registered with the
 19 USPTO. However, under the well-established territoriality principle, evidence relating to Chinese
 20 trademark proceedings are irrelevant to these claims. *See, e.g., Vanity Fair Mills, Inc. v. The T.*
Eaton Co., 234 F.2d 633, 639 (2d Cir. 1956) (“[W]hen trademark rights within the United States are
 21 being litigated in an American court, the decisions of foreign courts concerning the respective
 22 trademark rights of the parties are irrelevant and inadmissible.”); *Fuji Photo Film Co. v. Shinohara*
Shoji Kabushiki Kaisha, 754 F.2d 591, 599 (5th Cir. 1985) (same); *Pinkette Clothing, Inc. v.*
Cosmetic Warriors Ltd., No. CV-15-04950, 2017 WL 10434404, at *3 (C.D. Cal. Jan. 20, 2017)
 23 (“Central to trademark law is the territoriality principle—‘trademark rights exist in each country
 24
 25

26
 27 ¹ Although Defendants seek exclusion of *all* evidence, references, inquiry, or argument relating to
 28 the United States and Chinese trademark proceedings, Defendants have attached to this Motion a
 sample of such evidence for the Court's review. *See* Declaration of Joseph Farris in Support of
 Defendants Motion in Limine No. 2 (“Farris Decl.”).

1 solely according to that country's statutory scheme.”” (quoting *Person's Co. v. Christman*, 990 F.2d
 2 1565, 1568–1569 (Fed. Cir. 1990)). In *Pinkette Clothing*, the plaintiff sought to exclude evidence
 3 relating to a Canadian trademark proceeding involving an identical mark as that at issue in the
 4 immediate action. 2017 WL 10434404, at *2. The court granted the motion to preclude any
 5 evidence, reference or argument relating to the Canadian proceeding, finding that “[t]he crux of this
 6 action is whether there is a likelihood of confusion regarding the parties' use of the LUSH mark in
 7 the U.S. . . . Thus, trademark-related events outside the U.S. are irrelevant to this action and thus not
 8 admissible.” *Id.* at *3, *affirmed Pinkette Clothing, Inc. v. Cosmetic Warriors Ltd.*, 894 F.3d 1015,
 9 1029 (9th Cir. 2018) (“Evidence of the LUSH mark in Canada was not relevant to the infringement-
 10 related questions for which the jury was the sole trier of fact.”). Similarly, in the instant action,
 11 evidence relating to Chinese trademark proceedings are irrelevant to SinCo SG's claims regarding its
 12 U.S. trademark rights and thus is inadmissible under FRE 402.

13 **2. Evidence relating to both the US and Chinese trademark proceedings
 14 has minimal probative value and is likely to confuse the jury and result
 in undue prejudice.**

15 It is undisputed in this case that Defendants possessed a license to use SinCo SG's
 16 trademarks—the scope of that license is central to resolution of SinCo SG's claims at trial. Evidence
 17 relating to the proceedings before the USPTO—which concern only the *registrability* of separate
 18 marks filed by XingKe—has minimal, if any, probative value in connection with SinCo SG's claims.
 19 In contrast, the admission of this evidence would cause a danger of unfair prejudice, confusion of the
 20 issues, and potentially usurp the role of the jury. *See, e.g., Coryn Group II, LLC v. O.C. Seacrets,*
 21 *Inc.*, No. WDQ-08-2764, 2011 WL 862729, at *2 (D. Md. Mar. 10, 2011) (“[I]ntroduction of the
 22 TTAB decision is likely to confuse the jury and encourage a decision on an improper basis.
 23 Admitting evidence of the decision will likely cause the jury to deliberate on the correctness of the
 24 previous fact finding, rather than retaining the open-minded, first impression approach to the issues
 25 our system prefers. The jury is likely to give undue weight to the TTAB's findings, undermining its
 26 ability to reach its own determinations of the issues.” (internal quotations and citations omitted)).
 27 These factors far outweigh any probative value of the records, rendering the evidence inadmissible
 28 under FRE 403. *Id.* (finding the probative value of TTAB decision was substantially outweighed by

1 danger of unfair prejudice and confusion and granting defendant's motion to exclude the evidence);
 2 *see also Innovation Ventures, LLC v. NVE, Inc.*, 90 F.Supp.3d 703, 713 (E.D. Mich. 2015) (granting
 3 motion to exclude evidence of prior USPTO proceedings under FRE 403 and noting that “[e]ven
 4 with a limited instruction, proof that the USPTO had repeatedly denied Plaintiff a trademark could
 5 carry definitive weight with the jury”); *Minemyer v. B-Roc Representatives, Inc.*, No. 07 C 1763,
 6 2012 WL 346621, at *4 (N.D. Ill. Feb. 2, 2012) (excluding USPTO office actions as “gravid with
 7 unfair prejudice and the potential for jury confusion and for wasting time” and finding that “limiting
 8 instruction is pointless” to mitigate the “intolerably high risk that the jury will engage in . . .
 9 hindsight analysis”).

10 The probative value of the USPTO proceedings is further reduced by the fact that none of the
 11 proceedings involved findings of fact based upon well-developed records, and because the last
 12 pending applications were ultimately stayed due to the pendency of this action. The other XingKe
 13 applications were either abandoned or suspended, and no proceeding resulted in the issuance of
 14 anything more comprehensive than a tentative opinion or judgment by default. *See, e.g.*, Farris Decl.,
 15 Ex. A (suspension notice), Ex. B (office action), Ex. C (judgment by default); *see also Everest*
 16 *Capital Ltd. v. Everest Funds Mgmt., L.L.C.*, 393 F.3d 755, 764 (8th Cir. 2005) (affirming district
 17 court’s refusal to admit evidence of USPTO’s suspension of application for registration of plaintiff’s
 18 mark, finding the suspension notice had “little probative value because it stated a tentative opinion,
 19 not an administrative finding of fact based upon an adequate record”). However, a jury almost
 20 certainly would be unlikely to grasp that distinction, and a USPTO record has the “potential to
 21 unfairly prejudice the defendants if the jury mistakenly view[] it as an official government position
 22 on the critical confusion issue.” *Id.* The likelihood that the jury may be tempted to defer to the
 23 USPTO’s perceived position on the infringement claim is far too prejudicial given the minimal
 24 probative value of the USPTO records in these proceedings.

25 Here, if evidence regarding the trademark proceedings, or references relating thereto, are
 26 permitted before the jury, the jury’s assessment of the facts regarding SinCo SG’s trademark
 27 infringement and dilution claims will undoubtedly be tainted by the USPTO’s findings, which were
 28 based on a different (underdeveloped) record and focused exclusively on the issue of registrability,

1 not on the use of the mark(s) at issue or the scope of a license possessed by XingKe to use SinCo
 2 SG's marks. The evidence would thus impermissibly prejudice XingKe by causing confusion among
 3 the jury and encouraging the jury to substitute the judgement of the agency for its own. For this
 4 reason, exclusion of the evidence is appropriate under FRE 403. *See, e.g., Finjan, Inc. v. Sophos,*
 5 *Inc.*, No. 14-CV-01197-WHO, 2016 WL 4560071, at *14 (N.D. Cal. Aug. 22, 2016) (granting
 6 motion to exclude evidence of USPTO proceedings as it would take a “significant amount of time
 7 and effort to adequately explain the relevance and limitations of the PTO proceedings to the jury”
 8 and there was “a substantial risk that the jury will improperly substitute its own judgement for the
 9 PTO decisions”).

10 **3. Allegations of fraud in the United States and Chinese trademark
 11 proceedings are highly prejudicial**

12 What's more, SinCo SG has further made specific allegations that there were acts of fraud
 13 and bad faith by Defendants in connection with the United States and Chinese trademark
 14 proceedings that reveal its intent to use these sideshow allegations to create undue prejudice and
 15 distract the jury from the fundamental issues in the case. At a minimum, the Court should exclude
 16 all references or offering of evidence from the trademark proceedings in the United States and China
 17 concerning allegations of fraud, falsification of documents, or bad faith, as this evidence is highly
 18 prejudicial to the Defendants. *See, e.g., Flir Systems, Inc. v. Fluke Corporation*, 2012 WL 13054267,
 19 at *3 (D. Or. Nov. 19, 2012) (granting motion in limine to prohibit any exposure of the jury to
 20 evidence, statements or implications that party committed fraud on PTO).

21 In the United States proceedings, SinCo SG has repeatedly made inflammatory and
 22 unjustified allegations of fraud based the fact that one of XingKe's applications filed by its Chinese
 23 trademark agent improperly used the name of a Canadian patent agent named Miriam Paton. SinCo
 24 SG has improperly and without justification characterized that as “fraud” and, via other salacious
 25 descriptions, made the outrageous claim that this is a case of “stolen identity.” *See id.*, Ex. J (excerpt
 26 of SinCo SG's Opposition to Defendants' Motion for Summary Adjudication in the State Action).
 27 The truth is that XingKe itself was one of many *victims* of a widespread fraud apparently perpetrated
 28 by the Chinese trademark agency that used Ms. Paton's name on “hundreds” of applications that

1 were unrelated to XingKe. *See id.*, Ex. G (USPTO Notice Concerning Mariam Paton Declaration and
 2 declaration of patent agent Miriam Paton concerning alleged fraudulent use of her name in “several
 3 hundred trademark applications before the USPTO”); Ex. H (article published in Corporate Counsel
 4 describing how Miriam Paton’s signature was “forged on hundreds of U.S. trademark applications”).

5 Likewise, in the Chinese proceeding, SinCo SG has levied inflammatory allegations of
 6 “fraudulent applications” and suggested that there was a finding by the Chinese court supporting
 7 that. *See id.*, Ex. J. Again, this is false and highly misleading. SinCo SG’s accusations are *not*
 8 based on a Chinese court finding that there was fabricated evidence, but on the declaration of SinCo
 9 SG’s own Chinese lawyer. *See*, Farris Decl., Ex. I (affidavit from Guanglei Zhang, partner at the
 10 law firm of Jingtian & Gongcheng, concerning allegedly inauthentic documents in Chinese
 11 proceeding). To be clear—there was no finding of fraud by the court at all—this is just SinCo SG’s
 12 lawyer’s argument. *See id.*, Ex. D at 5 (decision by Chinese trademark review board noting only that
 13 respondent “failed to submit the original version [of the Design Contract] for authenticity check” and
 14 therefore “the actual performance of the contract cannot be evidenced”). What’s more, those general
 15 invalidation proceedings are under appeal and ongoing, and XingKe has submitted substantial
 16 evidence in China that SinCo SG submitted false evidence in that proceeding. *See* Ex. F (XingKe’s
 17 petition to appeal Chinese trademark proceeding invalidating its registration).

18 The prejudice caused by the introduction of such evidence is particularly substantial
 19 compared with its minimal probative effect. Should SinCo SG be permitted to introduce evidence
 20 concerning allegations of fraud in the trademark proceedings, it would be highly prejudicial to
 21 Defendants. Moreover, as to the Chinese proceeding, it also would force XingKe to submit its own
 22 evidence concerning SinCo SG’s fraud on the Chinese trademark authorities—creating a trial within
 23 a trial about the conduct of foreign proceeding subject to different trademark laws and evidentiary
 24 proceedings. All of this would create an unnecessary and complicated sideshow that would only
 25 confuse and distract from the real issues—namely, was any customer ever confused by XingKe’s use
 26 of the name “SinCo” before it changed its name.
 27
 28

B. This Court should exclude evidence relating to the United States and Chinese trademark proceedings under FRE 802

In addition to the exclusion of the trademark proceedings pursuant to FRE 402 and FRE 403, the Court should exclude evidence of the trademark proceedings on the grounds that the records are rife with statements and declarations by witnesses not appearing in court. *See, e.g.*, Farris Decl., Ex. G (declaration of Miriam Paton), Ex. I (affidavit of Guanglei Zhang). This evidence is impermissible hearsay and must be excluded pursuant to FRE 802. *See, e.g.*, *In re Outsidewall Tire Litigation*, 748 F.Supp.2d 553, 555 (E.D. Va. 2010) (finding plaintiffs' file from USPTO was appropriately excluded at trial because it contained impermissible hearsay).

III. CONCLUSION

For the foregoing reasons, the Motion In Limine to Exclude Evidence of Official Records of Trademark Proceedings in the United States and China and Related Evidence Concerning Trademark Application, Opposition, or Cancellation Proceedings should be granted as set forth in the Proposed Order.

Dated: September 3, 2021.

ARNOLD & PORTER KAYE SCHOLER LLP

By: /s/ Douglas Winthrop
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9
 10 UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA

11
 12 SINCO TECHNOLOGIES PTE LTD,

13 Plaintiff,

14 v.

15 SINCO ELECTRONICS (DONGGUAN) CO.,
 LTD.; XINGLE ELECTRONICS
 (DONGGUAN) CO., LTD.; XINGKE
 ELECTRONICS TECHNOLOGY CO., LTD.;
 SINCOO ELECTRONICS TECHNOLOGY
 CO., LTD.; MUI LIANG TJOA (an
 individual); NG CHER YONG aka CY NG (an
 individual); and LIEW YEW SOON aka
 MARK LIEW (an individual),

20 Defendants.

12 Case No. 3:17CV5517

13
**PLAINTIFF SINCO TECHNOLOGIES
 PTE LTD'S OPPOSITION TO
 DEFENDANTS' MOTION IN LIMINE
 NO. 2 RE TRADEMARK
 PROCEEDINGS**

14 PRETRIAL HEARING

Date: October 5, 2021

Time: 3:00 p.m.

Place: Courtroom 5 – 17th Floor
 Hon. Edward M. Chen

15 TRIAL DATE

November 1, 2021

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

The paradox of Defendants' Motion to exclude their conduct in China conflicts with their affirmative defense of abandonment, which is anchored on their conduct in China. Defendants' motion speaks in generalities¹ to avoid culpability, but ultimately those specifics will likely be decisive of this case. Defendants' motion states, "*Defendants possessed a license to use SinCo Technologies Pte. Ltd.*'s ("SINCO") trademarks," but their conduct in filing China and U.S. trademark applications evidences something different, in that, they claim to be the exclusive owner of the mark. Defendants rely heavily on the principle – "trade rights exist in each country solely according to that country's statutory scheme," which is an obstacle to their legal theory of abandonment, and in no way justification to ignore their actions as to the "SinCo" marks.

II. BACKGROUND OF FACTS

Since 2012, SINCO and its contract manufacturer had operated under a written agreement. Gaitan Declaration (G. Decl.) *Ex. 1*. In that time SINCO's employees, Defendant Mark Liew and Cy Ng never traveled to the U.S., until they did so to introduce representatives of Xingke Electronics (Dongguan) Co., Ltd.'s ("XINGKE") to SINCO's customers. On **October 28, 2016**, SINCO filed suit against Defendants in Superior Court for what they thought was misappropriation of their trade secrets and breach of contract by their contract manufacturer in China. However, through the discovery process they learned that XINGKE had secretly been claiming to be SINCO and had not only registered the "SINCO" trademark as their own in China, but within weeks of the action in the U.S., began asserting ownership of the "SINCO" trademark in the U.S. by filing multiple trademark applications.² *Ex. 2-3*. SINCO brought this action to enforce and protect its U.S. trademark rights.³ *Ex. 3 and 5*. On **October 24, 2017**, having already filed 14 trademark applications, XINGKE filed two more applications using the name "Miriam Paton," yet Miriam Paton's work had nothing to do with trademarks. *Ex. 2-3*. SINCO learned of

¹ *Plexxikon Inc. v. Novartis Pharmaceuticals Corporation*, 2021 WL 1164749 at *1 (N.D. Cal., Mar. 26, 2021). (Plaintiff's requested blanket exclusion [was] unwarranted," and the motion was DENIED.)

² Filed on September 6, 2016; five more on January 13, 2017; another five on January 20, 2017; and again on February 23, 2017 and On September 28, 2017.

³ (U.S. Registration Nos. 3188537, 4524165, 4524172, and 4524173.)

1 this having attempted to communicate with her on an Opposition it filed against XINGKE on
 2 August 16, 2018. Ex. 6. In that same Opposition XINGKE used the forged signature of “Xu
 3 Shugong,” on **September 26, 2018**. Ex. 7. XINGKE had an explanation in the form of a
 4 Declaration submitted by Chen Yueliang, that stated: “*Because of the time pressure in trademark*
application matters, my company often asked for the authorization from clients to sign on their
behalf to save time. In this case, the client company did give us the authorization. That is why I
signed on behalf of Xu Shugong.” Ex. 8. Defendant Tjoa submitted a Declaration relating to that
 8 Opposition to the TTAB on **November 20, 2018**, Ex. 9, where Mr. Tjoa testified that he did not
 9 have personal knowledge as to a declaration filed in his name with the USPTO. (*Ex. 10 at*
 10 *281:19-25.*)⁴ See also as examples Office Actions dated **November 6, 2016, April 17, 2017**, and
 11 **August 8, 2017**. Ex. 4. The owner the USPTO referenced is in fact “SINCO.” Ex. 4. As
 12 Defendants’ motion admits on **April 26, 2018** and **May 4, 2018**, SinCo Electronics (Dongguan)
 13 Co.’s PRC marks (Registration Nos. 8607396 and 8607476) were invalidated for use of “SINCO.”

14 III. LEGAL ARGUMENT

15 A. Trademark Proceeding Doesn’t Grant Immunity for XingKe’s Actions.

16 Defendants’ motion does not deny the conduct that they anticipate SINCO will try to
 17 present to the Jury, they openly admit to the “*two registered (and presently invalidated) design*
Marks in China owned by XingKe and sixteen trademark applications,” filed in the USPTO, but
 19 assert their related conduct is too prejudicial, albeit true. The Court’s finding in *Newmark Realty*
 20 *Capital, Inc. v. BGC Partners, Inc.*, No. 16-cv-01702-BLF, 2018 U.S. Dist. LEXIS 207265 at *2-
 21 3 (N.D. Cal., Dec. 7, 2018), directly spoke to the issue of the probative value of PTO responses:

22 As discussed on the record at the pretrial conference, *the Court finds the USPTO*
responses may be submitted as Defendants’ admissions regarding services they
offered and when Defendants offered those services. Moreover, the *Court finds that*
under FRE 403, the probative value of the PTO responses is not substantially
outweighed by danger of confusing or misleading the jury... The jury is capable of
assessing the PTO responses and giving them the weight, they deserve. In addition,

26 ⁴ In response to those trademark applications filed by XINGKE the trademark examiners issued office actions
 27 rejecting their claim to the “SINCO” trademark stating: *Registration of the applied-for mark is refused because of a*
likelihood of confusion with the marks in U.S. Registration Nos. 3188537, 4524165, 4524173, and 4524172
(PLAINTIFFS MARKS). Ex. 4. Trademark Act Section 2(d), 15 U.S.C. §1052(d); see TMEP §§1207.01 et seq. See
 28 *the attached registrations, all of which are owned by the same owner. Ex. 5.*

1 the Court denies Defendants' request that the jury be instructed that Plaintiff was not
 2 aware of the PTO actions/responses.

3 *Id.* at 5. SINCO would be prejudiced if this Court excluded evidence of XINGKE's conduct,
 4 simply because it occurred in trademark proceeding. The jury is more than capable of
 5 categorizing these actions that Defendants are attempting to broadly exclude, under the guise of
 6 inaccurate claims of fraud. Moreover, the issue of Fraud that SINCO wishes to reveal to the jury
 7 and this Court relates to Defendants' specific actions. XINGKE's dishonest acts provide the Jury
 8 insight into Defendants behavior, supporting trademark infringement, punitive damages, and fees.

9 **B. Determinations of Likelihood of Confusion by USPTO are Admissible**

10 Defendants assert that "*none of the proceedings have resulted in an administrative*
 11 *finding,*" but ignore the Office Actions that cited SINCO's U.S. registrations. Defendants
 12 advocate to ignore the precedent of showing deference to the USPTO, as to do so might hurt their
 13 case and disclose *all* of their actions. In *Hyuk Suh v. Choon Sik Yang*, 987 F. Supp. 783, 791
 14 (N.D. Cal. 1997), the Court stated "[w]hile the USPTO's refusal to register a trademark term is
 15 not conclusive, it is entitled to '**great weight.**'"⁵ The USPTO's refusal to register defendant's
 16 mark because of confusion with plaintiff's registration is '**entitled to serious consideration**' and
 17 **helps prove both likelihood of confusion** and defendant's bad faith continued use." *National*
 18 *Customer Engineering v. Lockheed Martin Corp.*, 43 U.S.P.Q.2d 1036 (C.D. Cal. 1997).

19 The USPTO's Office Action of **November 6, 2016, April 17, 2017, and August 8, 2017**
 20 highlight that, despite Defendants' applications, SINCO has a protectible mark—for both the
 21 SINCO word mark and logos, which was recognized in the U.S. market. Ex. 4. Again, these
 22 applications were filed after the initiation of litigation, and XINGKE had every reason to know it
 23 would be part of these proceedings. Ex. 2-3. Just as in *Newmark Realty Capital*, both the
 24 **Chinese and United States** trademark proceedings here illustrate the specific goods and services
 25 Defendants used in association with their admitted use of SINCO's marks. XINGKE's admission
 26 of use in the trademark applications and their continued use of the SINCO mark after the USPTO

27 ⁵ Notably, the "*Court affords a degree of deference to the PTO's decision*" and . . . [a] finding that that the PTO's
 28 refusal to register a mark is entitled to *substantial weight*. *MedAmerica, Inc. v. Med Staff Am., Inc.*, No. C-10-2896
 EMC, 2011 WL 13258235 at *5 (N.D. Cal. Feb. 28, 2011).

1 office actions are essential to evidence the likelihood of confusion, willfulness, and understanding
 2 of a purported “license”—the central issues in this action. *Newmark Realty Capital, Inc.*, 207265.

3 Furthermore, Defendants’ use of the phonetic equivalent to SINCO’s mark,  4 “XingKe”— **XingKe** while maintaining the same color and caps variation—would not be
 5 nearly as visually evident without reference to the specimens that XINGKE submitted to the
 6 USPTO, thereby prejudicing SINCO in its inability to display the notable similarity of the marks.
 7 Which is further evidence of use of SINCO’s good will and reputation. Ex. 2-5. Most
 8 importantly, these applications go directly to Defendants ‘intent’, another factor in likelihood of
 9 confusion analysis.⁶ Here, the evidence shows that XINGKE chose the disputed marks at issue to
 10 directly target SINCO’s U.S. customers, to displace projects, and acquire business.

11 Further, Courts have found that it is the jury’s role to determine whether infringement was
 12 intentional or willful. Such analysis requires consideration of actions in both the pending
 13 litigation and **in both the Chinese and U.S. trademark proceedings**. In *Globefill Incorporated*
 14 the jury found Defendants’ infringement to be intentional or willful. *Globefill Incorporated v.*
 15 *Elements Spirits, Inc.* (C.D. Cal., Sept. 8, 2017) 2017 WL 6520589, at *3, aff’d (9th Cir. 2019).
 16 The jury’s finding led the court to determine if it was “exceptional” under the Lanham Act. *Id.*

17 Additionally, SINCO has a claim for punitive damages which directly correlates with its
 18 common law claim for unfair competition, Cal. Civ. Code § 3294(a), and passing off claims. As
 19 stated in this circuit, “[a]lthough under some circumstances, punitive damages may be recoverable
 20 under a California common law claim, in California common law unfair competition claims are
 21 limited to cases in which a party passes off their goods as another.” *Groupion, LLC v. Groupon,*
 22 *Inc.* 859 F.Supp.2d 1067, 1083 (N.D. Cal. 2012). Further, this court has stated “[w]e are aware of
 23 no authority which suggests that this provision may not be applied to common law unfair
 24 competition claims. *Duncan v. Stuetzle*, 76 F.3d 1480, 1490 (9th Cir. 1996).

25 To prove punitive damages, SINCO needs the opportunity to bring forth evidence of
 26 oppression, fraud or malice, which mainly derives from the Chinese and U.S. trademark
 27 proceedings. Moreover, XINGKE’s actions in these proceeding as established go to the

28 ⁶ The Ninth Circuit has found that “[w]hen the alleged infringer knowingly adopts a mark similar to
 another’s, reviewing courts presume that the Defendant can accomplish his purpose: that is, that the public
 will be deceived.” *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9th Cir. 1979).

1 protectability of the mark, likelihood of confusion, willful and intentional conduct, and attorney
 2 fees. The importance of this evidence is why Defendants attempt a broad exclusion in an attempt
 3 to avoid the specific conduct attributable to their actions. Lastly, these documents illustrate that
 4 Defendants are not entitled to the rights of federal trademark registration, despite their attempts.
 5 Once cancellation occurs, the owner “is no longer entitled to the rights that flow from federal
 6 registration, including the presumption that the mark is valid.” *Hokto Kinoko Co. v. Concord*
Farms, Inc., 738 F.3d 1085, 1097 (9th Cir. 2013).

7 **C. Defendants’ Case Law Is Distinguishable To These Facts.**

8 Defendants’ reliance on *Coryn Group II, LLC.*, is misplaced. In that case, the Court
 9 excluded the TTAB’s final decision as, “the TTAB did not apply all likelihood of confusion
 10 factors used by the Fourth Circuit”.⁷ Instead, the probative value of the evidence at issue is to
 11 display the identity theft that occurred via Miriam Paton, the forgery of Xu Shugong signature,
 12 and the perjury of Mr. Tjoa, which together were all directed at the acquisition of the “SINCO,”
 13 mark in the USPTO, which creates a higher level of culpability. Ex. 7-12. Defendants next
 14 introduce a string of cases that relate to **patent proceedings** in attempts to illustrate that USPTO
 15 finding will confuse or mislead the jury. In *San Diego Comic Convention*, the court found “[t]he
 16 present matter involves three incontestable trademarks—trademarks DFP knew were registered
 17 with the USPTO—and **there is no patent in play**,” and thus did not entertain the purported case
 18 law. *San Diego Comic Convention v. Dan Farr Prods.*, 2018 WL 4078639 at *7 (S.D. Cal. Aug.
 19 23, 2018). Defendants’ reliance on *Minemyer v. B-Roc Representatives* is similarly misplaced. In
 20 that case, the court excluded evidence of patent reexamination proceedings which it stated was a
 21 routine thing to do in patent jury trials. This is not analogous to this trademark action.

22 In *Fluke Corporation*, it was **undisputed** that the parties would not be bringing in
 23 evidence of fraud regarding who coined the term “IR Fusion.” *Flir Systems, Inc. v. Fluke*
 24 *Corporation*, 2012 WL 13054267 at *3 (D. Or. Nov. 29, 2012). Even more concerning was, the
 25 Court made no such determinative ruling on the merits of this issue “to prohibit any exposure of

26
 27 ⁷ Notably, in *B & B Hardware, Inc. v. Hargis Indus., Inc.*, 575 U.S. 138, 135 (2015), the US Supreme Court noted
 28 that “it does not matter that registration and infringement are governed by different statutory provisions . . . [n]either
 does it matter that the TTAB and the Eighth Circuit use different factors to assess likelihood of confusion.”

1 the jury to evidence, statements or implications that party committed fraud on PTO”, **as**
 2 **represented by Defendants.** Instead, the Court **conditionally** granted the undisputed motion in
 3 limine contingent upon FLIR providing “the court with its best case on the issue” and further
 4 stated that it “is willing to consider revisiting this issue before trial.” *Id.*⁸

5 **D. Further Reasons Chinese trademark proceedings are relevant**

6 Defendants argue that their conduct as to trademark proceeding in foreign countries are
 7 irrelevant to this action, unless their actions support abandonment. Defendants suggest that
 8 SINCO is attempting to counter American law through these trademark proceedings. Defendants’
 9 cite to *Vanity Fair Mills, Inc.* which held that remedies provided by the Lanham Act, should not
 10 be given an extraterritorial application against foreign citizens acting under ‘presumably’ valid
 11 trade-marks in a foreign country. The present case is different as shown: **First**, XINGKE’s
 12 position in the PRC trademark invalidation proceeding runs counter to its position in the U.S.
 13 proceeding. In the PRC proceeding, XINGKE argues that it “designed” and “created” the “SinCo
 14 & Device” trademark, and claims exclusive ownership of the “SinCo & Device” trademark. In
 15 this case XINGKE acknowledges SINCO was the original owner, but that it gave them an open-
 16 ended and free license to pillage SINCO’s trade name as it sees fit. XINGKE is estopped from
 17 arguing in diametrically opposed position in China and before the USPTO, as it is before this
 18 Court. **Second**, Defendants assert that SINCO abandoned its worldwide trademarks due to lack
 19 and adequate control XINGKE’s use of the trademark in both China. XINGKE advocates the
 20 Court reward their trademark infringement and ignore their trademark claims. The trademark
 21 proceedings in China highlight that if Defendants believed there to be an oral license, they would
 22 not have asserted that they created and owned the mark. A licensee's use inures to the benefit of
 23 the licensor-owner of the mark and the licensee acquires no ownership rights in the mark itself as
 24 codified in Lanham Act § 5.3. **Third**, as stated in the first section, these documents go to the
 25 protectability of the mark, likelihood of confusion, willful and intentional conduct, attorney fees,
 26 and punitive damages, which is why Defendants attempt to inappropriately broadly exclude these

27 ⁸ Similarly, Defendants reliance on *Innovation Ventures* is misplaced as the court specifically prevented USPTO
 28 findings, because it contradicted the Sixth Circuit’s prior ruling that the “5-Hour ENERGY” mark is protectable.
 “Thus, obviating the need to present this evidence.”

trademark proceedings. Moreover, Defendants cited both the Chinese and USPTO proceedings in their cross complaint and answer, and have evidence of the same in their trial exhibits.

E. The Paton and Zhang Declarations are Relevant/Meet An Exception.

Notably, in contradiction to Defendants claims, Miriam Paton and Guanglei Zhang are named testifying witnesses. Defendants again make a broad request for exclusion without giving the court an accurate accounting of the Declarations submitted to the USPTO and CTO. For example, Defendants failed to include Miriam Declaration which discussed Defendants independents acts, not China as a whole. Ex. 11-12. Additionally, Defendants failed to mention that these Declarations were submitted to the government which qualifies as an exception to hearsay.⁹ Ex. 11-13 In *Brighton*, plaintiff attempted to excluded any evidence of **its own interaction** with the USPTO; however, it was held to be relevant to plaintiff's trademark claims and **qualified under an exception to the hearsay rule**. *Brighton Collectibles*, 2009 WL 10674074, at *2, Citing FRE 803. To the contrary, courts regularly consider such documents when construing claims **for the purposes of infringement and validity analyses**.¹⁰ *Id.* As shown in *United States v. Anderson*, 532 F.2d 1218, 1225 (9th Cir. 1976), the 9th Circuit approved the admission of a directory of a foreign city to establish identity and telephone numbers.

For the forgoing reasons, Defendants' motion should be denied. Arguendo, SINCO reserves its right to have this evidence submitted in camera outside the presence of the jury.

Dated: September 13, 2021

Respectfully submitted,

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⁹ The English translations of the determinations of April 26, 2018 and May 4, 2018, by the Trademark Review and Adjudication Board (the “TRAB”) in the Trademark Office of the State Administration for Industry & Commerce of the PRC of XINGKE’s Registration Nos. 8607396 and 8607476 pursuant to Article 31, Paragraphs 1 and 2 of Article 45 and Article 46 of the PRC pre-amended Trademark Law are admissible as a government document.

¹⁰ See also *Farouk Systems, Inc. v. Chi Nail Franchises, LLC* (C.D. Cal., Nov. 19, 2015) 2015 WL 12781705, at *2 (Plaintiff's contention, that documents created during the course of trademark proceeding should be excluded as hearsay, was unpersuasive.)